



ARLENE BARRERA
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

April 22, 2020

TO: Supervisor Kathryn Barger, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Janice Hahn

FROM: Arlene Barrera 
Auditor-Controller

SUBJECT: FISCAL YEAR 2019-20 CASH FLOW PROJECTION

Attached is the latest cash flow projection for the General Fund and Hospital Funds. The estimated June 30, 2020 combined cash balances for the General Fund and Hospital Funds are positive \$196 million, a decrease of \$950 million from our March 18, 2020 estimate of \$1.146 billion.

Our revised June 30, 2020 estimated cash balance has been adjusted to account for estimated revenue losses and expenditure increases resulting from COVID-19. For example, we are projecting vendor payments to increase by \$800 million for the remainder of the year, including \$400 million directly attributable to COVID-19. We are also projecting sales tax-based revenues to decline by \$186 million, primarily attributable to reduced consumer spending resulting from the March 16, 2020 Safer at Home Order. Our estimated cash balance for June 30th does not factor in federal or State COVID-19 funding that may be received since these amounts are constantly changing and are not reasonably predictable at this time.

Due to the uncertainty of the impact COVID-19 will have on our cash flows, we are working closely with the Chief Executive Officer and Treasurer and Tax Collector to monitor our cash receipts and disbursements. We will continue to revise the June 30, 2020 estimated cash balances as more information is available.

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<http://census.lacounty.gov>

Short-Term Outlook

Our previous report estimated the March 31, 2020 cash balances at positive \$352 million. The actual cash balances were positive \$63 million. The variance of \$289 million was primarily due to higher than anticipated vendor payments related to COVID-19 and additional mental health cash advances. The estimated April 30, 2020 combined cash balances are positive \$448 million.

If you have any questions please contact me, or your staff may call Connie Yee at (213) 974-0681.

AB:CY

Acctg/Admin/Admin/Cash Flow April 2020.docx

Attachment

c: Sachi A. Hamai, Chief Executive Officer
Keith Knox, Treasurer and Tax Collector
Celia Zavala, Executive Officer, Board of Supervisors
Audit Committee
Countywide Communications

**GENERAL FUND
HOSPITAL FUNDS
MONTHLY CASH FLOW PROJECTION**
(in thousands)

Description	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
General Fund:												
Beginning Cash	\$ 1,952,501	\$ 1,724,091	\$ 1,359,182	\$ 424,086	\$ 727,072	\$ 410,347	\$ 1,089,937	\$ 1,594,897	\$ 951,668	\$ 48,617	\$ 428,934	\$ 501,546
Receipts	1,864,466	1,466,810	1,097,298	2,070,637	1,429,121	3,133,250	2,788,351	1,341,619	1,544,263	2,537,406	2,293,727	2,369,833
Disbursements	(2,092,876)	(1,831,719)	(2,032,394)	(1,767,651)	(1,745,846)	(2,453,660)	(2,283,391)	(1,984,848)	(2,447,314)	(2,157,089)	(2,221,115)	(2,711,051)
Month End Cash	\$ 1,724,091	\$ 1,359,182	\$ 424,086	\$ 727,072	\$ 410,347	\$ 1,089,937	\$ 1,594,897	\$ 951,668	\$ 48,617	\$ 428,934	\$ 501,546	\$ 160,328
Hospital Funds:												
Month End Cash	56,984	14,800	30,869	182,378	105,913	44,974	14,258	14,946	13,958	19,000	47,000	36,000
Total Month End Cash	\$ 1,781,075	\$ 1,373,982	\$ 454,955	\$ 909,450	\$ 516,260	\$ 1,134,911	\$ 1,609,155	\$ 966,614	\$ 62,575	\$ 447,934	\$ 548,546	\$ 196,328
<i>Borrowable Resources*</i>	\$ 1,358,380	\$ 1,259,937	\$ 1,292,868	\$ 2,115,132	\$ 4,122,586	\$ 7,190,852	\$ 4,303,078	\$ 3,008,286	\$ 3,247,146	\$ 6,005,021	\$ 3,296,283	\$ 1,474,004

*In addition to the actual cash balances, the County has access to borrowable resources which consist of undistributed property tax collections, departmental revenues, and deposits. The actual average daily balances for each month are displayed above.